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1989/06/29

I06036
TOP SECRET/EXDIS 761,004 EXCISE
SECRETARY'S MORNING SULDIARY FOR JUNE 25, 1989
1. PRC: LITTLE APPARENT PROMISE IN SOVIET CARD
OFFICIAL SPOKESMAN YUAN MU TOLD LATIN AMERICAN AMBASSADORS
ON JUNE 20 THAT US SANCTIONS WOULD NOT GO MUCH FURTHER
BECAUSE DAMAGING RELATIONS WITH CHINA WOULD HURT THE UNITED STATES STRATEGICALLY
MEANWHILE, THE SOVIETS SEEN COOL TO THE
IDEA CF EXTENSIVE ECONOMIC AID TO THE PRC.
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VICE PREMIER TIAN JIYUN IS SCHEDULED TO ATTEND SINO-SOVIET
VICE PREMIER TIAN JIYUN IS SCHEDULED TO ATTEND SINO-SOVIET ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW, PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY ASSISTANCE.
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ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW, PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY ASSISTANCE. [TOP SECRET NOCONTRACT/NOFORN//ORCON] DEPARTMENT OF STATE 15, FPC, Cun M72 Date. 8/30/93
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW, PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY ASSISTANCE. [TOP SECRET NOCONTRACT/NOFORN//ORCON]

SECRET

June 29, 1989

EXCISE

(1) A2.a5. 15, FPC JCOR MD 2 Date 8/30/

1) S or () C Ch. ... () CLASSIFY 26 MR Cases Only: EO Citations

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DEPARTMENT OF STATE

() RELEASE () DECLASSHEY
DEXCISE () DECLASSIFY
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() DELETE Non-Responsive Into FOLA Exemptions

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PRC: 2.

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[SECRET/NOFORN/NOCONTRACT/ORCON]

3. CHINA: THE WORLD ACCORDING TO DENG
THE RECENT PUBLICATION OF DENG XIAOPING'S JUNE 9 SPEECH
ENDORSING THE CRACKDOWN ON PRO-DEMOCRACY PROTESTERS, AND
LEAKS TO HONG KONG NEWSPAFERS ABOUT DENG'S REMARKS TO
OTHER TOP LEADERS, SUGGEST HE IS TRYING HARD TO LIMIT
DAMAGE TO HIS ECONOMIC REFORM PROGRAM, FORGE A NEW LEADERSHIP CONSENSUS, AND GET THE COUNTRY BACK TO BUSINESS.

BIAS

DAMAGE LIMITATION

DENG PROBABLY DID NOT EXPECT THE STRONG POPULAR RESISTANCE TO THE ARMY ON JUNE 3-4, OR THE LEVEL OF BLOODSHED. BUT

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BIAS

ON JUNE 9 HE

DELIVERED A SPEECH THAT ENDORSED MARTIAL LAW AND THE USE OF FORCE BUT STRONGLY UNDERSCORED HIS COMMITMENT TO CONTINUED ECONOMIC REFORM AND OPENING TO THE OUTSIDE. HE

B145

GUIDING THE NEW LEADERSHIP, BUT ANXIOUS TO RETIRE

A WELL INFORMED HONG KONG NEWSPAPER ON JUNE 28 CARRIED
REPORTS OF TWO MEETINGS BETWEEN DENG AND THE MEMBERS OF
THE RECONSTITUTED POLITBURO STANDING COMMITTEE. DENG IS
SAID TO HAVE ENJOINED THE TO ACCEPT THE NEW GENERAL
SECRETARY, JIANG ZEMIN, AS BOSS; TO ESCHEW FORMING "SMALL
FACTIONS" OR GETTING BOGGED DOWN IN AFFIXING BLAME FOR
PAST MISTAKES; TO CONCENTRATE ON ECONOMIC DEVELOPMENT AND
MAKE SUBSTANTIAL ACHIEVEMENTS TO REGAIN THE PEOPLE'S
TRUST; AND TO AVOID COMING TO DENG FOR ADVICE AND
DECISIONS UNLESS ABSOLUTELY NECESSARY.

DENG REPORTEDLY SAID HE WILL RETIRE AFTER THE NEW LEADER-SHIP ESTABLISHES ITS AUTHORITY. HE WARNED THAT US AND EUROPEAN INVESTMENT IS BASED IN PART ON HIS OWN HEALTH AND

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THAT IT IS DANGEROUS TO BUILD A COUNTRY DEPENDENT ON ONE OR TWO PEOPLE.

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